

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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May 20, 2003

**FROM: THOMAS R. LAURIN, DIRECTOR
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT**

**SUBJECT: REVISIONS TO THE COUNTY'S PROPOSED 2000-2005 CONSOLIDATED
PLAN AND 2003-2004 ACTION PLAN FOR THE HOME PROGRAM**

RECOMMENDATION: Approve the following revisions to the proposed 2003-2004 Action Plan for the HOME Investment Partnership (HOME) Program portion of the County's 2003-2004 proposed Consolidated Plan, to accommodate a HUD reduction of \$421,802 in the County's HOME Program allocation:

- 1) Reduce the Community Housing Development Organizations (CHDO's) - Acquisition and Rehabilitation Program allocation by \$379,622 to \$1,549,917. This program provides direct assistance to CHDO's for acquisition, rehabilitation, and new construction of affordable housing projects.
- 2) Reduce the HOME Program Administration allocation by \$42,180 to \$472,213. This allocation provides financial resources needed to implement and monitor HOME program activities.
- 3) Authorize the Chairman of the Board of Supervisors to sign a revised HOME Program application for federal assistance, identifying the reduced HOME grant amount of \$4,722,130.

BACKGROUND INFORMATION: On April 1, 2003, the County's 2000-2005 proposed Consolidated Plan and 2003-2004 Action Plan was presented at a public hearing before the County Board of Supervisors. Public testimony was received and the hearing was continued for two weeks to April 15, 2003. At the conclusion of the continued hearing, the Board of Supervisors approved the revised proposed Plan and directed ECD staff to submit the Plan to HUD for final approval. A thirty (30) day public comment period for the proposed Plan began on May 1, 2003 and will end on May 30, 2003. During this review period, the County received a letter from Nelson R. Bregon, Deputy Assistant Secretary for Grant Programs for the U.S. Department of Housing and Urban Development (HUD) in Washington, D.C. This letter informs the County that HUD mistakenly included the City of Victorville in the County's HOME Program grant allocation, when in fact, the City of Victorville had chosen to not participate in the County's program. The letter states that HUD is reducing the County's 2003-04 HOME allocation according to Victorville's 8.2 percent share of San Bernardino County's Consortium. This corresponds to a \$421,802 grant reduction. Approval of the recommended action will allow ECD to adjust the 2003-2004 Action Plan by reducing the largest HOME Program-funded activity (the CHDO Program), and by reducing the HOME program administration allocation to the 10 percent maximum allowed by HUD. Additionally, the impact to the CHDO Program will be minimized because this program has an unobligated balance of FY 2002-03 funds available to augment the reduced 2003-04 funds. These revisions will be incorporated into the final 2003-2004 Action Plan document prior to submitting the Grant Application to HUD on May 30, 2003.

Record of Action of the Board of Supervisors

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ACTION PLAN FOR THE HOME PROGRAM**

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REVIEW BY OTHERS: This action was reviewed by Deputy County Counsel, Michelle D. Blakemore on May 8, 2003 and the County Administrative Office, Patricia M. Cole, Administrative Analyst III on May 9, 2003.

FINANCIAL IMPACT: The proposed revisions to the 2003-2004 Action Plan involve HOME funds only, and will not impact the County General Fund. The County's revised 2003-2004 Consolidated Grants Allocation will be reduced by \$421,802 to \$14,759,130 (\$9,759,000 for CDBG, \$4,722,130 for HOME, and \$278,000 for ESG). The HOME allocation is included in the Department's 2003-2004 FY Budget (SBA-ECD).

SUPERVISORIAL DISTRICT(S): All.

PRESENTER: Thomas R. Laurin, Director, 388-0808.

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